



# Department of Justice

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FOR IMMEDIATE RELEASE  
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AT  
(202) 616-2771  
TDD (202) 514-1888

**ATLANTA MAN CHARGED WITH DAIRY PRODUCTS**  
**BID RIGGING TO GEORGIA PUBLIC SCHOOL DISTRICTS**

WASHINGTON, D.C. -- Georgia's public schools were the victim of unlawful bid rigging in the purchase of milk and other dairy products, according to charges filed by the U.S. Department of Justice's Antitrust Division.

The charges are part of a 21-state investigation of the milk industry. So far, 45 corporations have been convicted. Twenty-six individuals have been sentenced to jail.

Today, the Department of Justice filed a one-count felony information against W. Monroe Dempsey, former Atlanta district sales manager of Flav-O-Rich Inc. of Louisville, Kentucky, charging him with conspiring to allocate dairy contracts among corporate co-conspirators between 1985 and 1988.

According to the information, Dempsey and the co-conspirators discussed among themselves prospective bids and designated which corporate co-conspirator would be the low bidder for the contracts. Some of the co-conspirators then submitted intentionally high bids so the designated corporate co-conspirator would win the contract.

(MORE)

Assistant Attorney General Anne K. Bingaman, in charge of the Antitrust Division, said the charge, contained in a one-count information filed in U.S. District Court in Atlanta, arose in connection with a grand jury investigation in Atlanta into collusive practices by dairy products suppliers in Georgia. Bingaman said the investigation was conducted by the Division's Atlanta field office and is continuing.

To date, 45 corporations and 49 individuals have been convicted and a total of approximately \$46.3 million in fines imposed in cases involving the supply of dairy products to public school districts. Twenty-six individuals have been sentenced to serve a total of 4,684 days in jail--an average of approximately six months' imprisonment. Civil damages total more than \$8 million. Thirty-two grand juries in 21 states continue to investigate the milk industry.

The maximum sentence for an individual convicted of a Sherman Antitrust Act violation occurring prior to November 16, 1990, is three years in prison and a fine not to exceed the greatest of \$250,000, twice the gross pecuniary gain derived from the crime or twice the gross pecuniary loss caused to the victims of the crime.

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